

**MAINE REAL ESTATE COMMISSION**  
**COURSE GUIDELINES**  
**ROLE OF THE DESIGNATED BROKER**  
**Course Level: Broker**  
**Minimum 45 Classroom Hours**  
**Revised & Effective April 25, 2002**

**IMPORTANT NOTE: INSTRUCTORS FOR THIS COURSE MUST HOLD AN ACTIVE REAL ESTATE BROKER LICENSE THROUGHOUT THE DURATION OF THE COURSE.**

*Course Overview: This course is designed to equip the student with the skills required to fill the role of the Designated Broker for an agency. The content to be covered includes trust accounts, license law, contract law, licensee training and supervision, and office management. Successful completion of this course is mandatory for all broker license candidates qualifying per the requirements of 32 MRSA Subchapter IV §13198.*

- I. Brokerage Forms (16%; approximately 7 hrs)**
  - A. Listing contracts
  - B. Purchase and sale contracts
  - C. Buyer agent agreements
  - D. Appointed agent agreement
  - E. Disclosed dual agency agreement
  - F. Design a property disclosure form that complies with Maine law
- II. License Law & Rules as Applied to the Responsibilities of the Designated Broker (14%; approximately 6 hrs)**
  - A. Review of the law and rules as they relate to the designated broker
    - 1. Licensee supervision and training
    - 2. Office management as per requirements of license law pertaining to:
      - 1. Use of trade names
      - 2. Branch offices
      - 3. Independent contractor vs. employee
      - 4. Termination of employment
      - 5. License renewal requirements
      - 6. Continuing education requirements
  - B. Design a company policy and procedures manual
- III. Designated Broker's Responsibilities Relative to Licensee Training and Laws (16%; approximately 7 hrs)**
  - A. Contracts
  - B. Disclosures
  - C. Presenting multiple offers
  - D. Fair Housing and Truth in Lending laws
  - E. Office policy and procedures manual
  - F. Liability of designated broker relative to independent contractors and employees
- IV. Company Policies (12%; approximately 5 hrs)**
  - A. Legal concepts of agency
    - 1. Types of agency to be offered to buyers and sellers
    - 2. Options available to the real estate company
  - B. Design an agency policy that reflects the types of agency to be offered
  - C. Advantages and disadvantages of various types of agency
- V. Closings (8%; approximately 3.5 hrs)**
  - A. Components of a typical closing
  - B. Costs involved
- VI. Ethical Brokerage Practices (10%; approximately 4.5 hrs)**
  - A. Ethical dilemmas and possible resolutions

**VII. State & Federal Laws Regulating Operation of a Real Estate Office (6%; approximately 3 hrs)**

- A. Land use and environmental laws and regulations
- B. Anti-trust laws
- C. Fair Housing
- D. RESPA (Federal Real Estate Settlement Procedure Act)
- E. Civil Rights Act
- F. FIRPTA (Foreign Investment in Real Property Tax Act)
- G. Lending Regulations Credit Reporting Act
- H. Comprehensive Drug Abuse Prevention and Control Act
- I. Appraisal broker price opinion regulations

**VIII. Trust Accounts (4% ; approximately 2 hrs)**

- A. License law and rules pertaining to trust accounts
  - 1. Forms of trust accounts
    - 1. Interest bearing account
  - 2. Opening and maintaining a trust account
  - 3. Making deposits
  - 4. Restrictions on deposits
  - 5. Minimum trust account records and supporting documents
  - 6. Deposits held by other than listing agency
  - 7. Dispute over return or forfeiture of deposit

**IX. Financing Options (6%; approximately 3 hrs)**

- A. Evaluate different types of financing options

**X. Organizing and Managing a Real Estate Company (6%; approximately 3 hrs)**

- A. Initial organization of company
- B. Opening costs
- C. Responsibilities
  - 1. Develop written office policy describing the company's agency policy
  - 2. Develop a licensee training program for new agents
  - 3. Assess staff and manager qualifications

**XI. Role of the Real Estate Commission Purpose (2%; approximately 1 hr)**

- A. Procedures
- B. Services
- C. Communicating with the Commission

**EVALUATION TECHNIQUES:** Student performance will be evaluated based on a minimum of three quizzes and a comprehensive final exam. The final exam must be weighted according to the percentages assigned each topic (i.e., on a 100 item final exam, 16% or 16 items must test various brokerage forms). Attendance and participation shall be taken into consideration. A final grade of at least 75% is required to pass the course.

**THE FOLLOWING STATEMENT MUST BE READ AT THE FIRST CLASS MEETING**

“The Real Estate License Law and Rules require the following of individuals seeking licensure as a real estate broker through one year of full-time practice as a licensed associate broker:

- completion of the designated broker course with a grade of 75% or better within the twelve month period immediately preceding application AND
- a resume documenting fulltime production and activity in real estate brokerage for the twelve months immediately preceding application for the broker license.

The only functional difference between the associate broker license and the broker license is that an individual holding a broker license may be the designated broker for an agency. Thus, it is assumed that participants in this course are competent at real estate brokerage by virtue of their experience and prior course work. This course will prepare you for assuming the role of designated broker for an agency.”

**ROLE OF THE DESIGNATED BROKER**  
**COURSE & FINAL EXAM DEVELOPMENT WORKSHEET**  
**MINIMUM 45 HOURS CLASSROOM INSTRUCTION**

Topics other than those required below may be included at the instructor's discretion with the understanding that the course will then exceed the minimum 45 hours. It is important to note that times listed for each topic are approximate and more or less time may be devoted to a topic providing the course as a whole meets the 45 hour minimum.

TOPIC		CLASS TIME	COVERED IN CLASS#	COVERED ON EXAM (Y/N)	COMMENTS
<b>I – BROKERAGE FORMS</b>		<b>16% - 7Hrs</b>			
<b>A</b>	<b>Listing Contracts</b>				
<b>B</b>	<b>Purchase and Sale Contracts</b>				
<b>C</b>	<b>Buyer Agent Agreements</b>				
<b>D</b>	<b>Appointed Agent Agreement</b>				
<b>E</b>	<b>Disclosed Dual Agency Agreement</b>				
<b>F</b>	<b>Design a Property Disclosure Form that Complies with Maine Law</b>				
TOPIC		CLASS TIME	COVERED IN CLASS#	COVERED ON EXAM (Y/N)	COMMENTS
<b>II – LICENSE LAW AND RULES AS APPLIED TO THE RESPONSIBILITIES OF THE DESIGNATED BROKER</b>		<b>14% - 6 Hrs</b>			
<b>A</b>	<b>Review of the Law and Rules as they Relate to the Designated Broker</b>				
<b>1</b>	<b>Licensee supervision and training</b>				
<b>2</b>	<b>Office management as per requirements of license law pertaining to:</b>				
<b>a</b>	<b>Use of trade names</b>				
<b>b</b>	<b>Branch offices</b>				
<b>c</b>	<b>Independent contractor vs. employee</b>				
<b>d</b>	<b>Termination of employment</b>				
<b>e</b>	<b>License renewal requirements</b>				
<b>f</b>	<b>Continuing education requirements</b>				
<b>B</b>	<b>Design a Company Policy and Procedures Manual</b>				
TOPIC		CLASS TIME	COVERED IN CLASS#	COVERED ON EXAM (Y/N)	COMMENTS
<b>III – DESIGNATED BROKER'S RESPONSIBILITIES RELATIVE TO LICENSEE TRAINING AND LAWS</b>		<b>16% - 7 Hrs</b>			
<b>A</b>	<b>Contracts</b>				
<b>B</b>	<b>Disclosures</b>				
<b>C</b>	<b>Presenting Multiple Offers</b>				
<b>D</b>	<b>Fair Housing and Truth in Lending Laws</b>				
<b>E</b>	<b>Office Policy and Procedures Manual</b>				
<b>F</b>	<b>Liability of Designated Broker Relative to Independent Contractors and Employees</b>				
TOPIC		CLASS TIME	COVERED IN CLASS#	COVERED ON EXAM (Y/N)	COMMENTS
<b>IV- COMPANY POLICIES</b>		<b>12%- 5 Hrs</b>			
<b>A</b>	<b>Legal Concepts of Agency</b>				
<b>1</b>	<b>Types of agency to be offered to buyers and sellers</b>				
<b>2</b>	<b>Options available to the real estate company</b>				
<b>B</b>	<b>Design an Agency Policy that Reflects the Types of Agency to be Offered</b>				
<b>C</b>	<b>Advantages and Disadvantages of Various Types of Agency</b>				
TOPIC		CLASS TIME	COVERED IN CLASS#	COVERED ON EXAM (Y/N)	COMMENTS
<b>V- CLOSINGS</b>		<b>8%- 3 ½ Hrs</b>			
<b>A</b>	<b>Components of a Typical Closing</b>				
<b>B</b>	<b>Costs Involved</b>				

TOPIC		CLASS TIME	COVERED IN CLASS#	COVERED ON EXAM (Y/N)	COMMENTS
<b>VI- ETHICAL BROKERAGE PRACTICES</b>		<b>10%- 4 ½ Hrs</b>			
<b>A</b>	<b>Ethical Dilemmas and Possible Resolutions</b>				
TOPIC		CLASS TIME	COVERED IN CLASS#	COVERED ON EXAM (Y/N)	COMMENTS
<b>VII- STATE AND FEDERAL LAWS REGULATION OPERATION OF A REAL ESTATE OFFICE</b>		<b>6%- 3 Hrs</b>			
<b>A</b>	<b>Land Use and Environmental Laws and Regulations</b>				
<b>B</b>	<b>Anti-trust Laws</b>				
<b>C</b>	<b>Fair Housing</b>				
<b>D</b>	<b>RESPA (Federal Real Estate Settlement Procedure Act)</b>				
<b>E</b>	<b>Civil Rights Act</b>				
<b>F</b>	<b>FIRPTA (Foreign Investment in Real Property Tax Act)</b>				
<b>G</b>	<b>Lending Regulations Credit Reporting Act</b>				
<b>H</b>	<b>Comprehensive Drug Abuse Prevention and Control Act</b>				
<b>I</b>	<b>Appraisal Broker Price Opinion Regulations</b>				
TOPIC		CLASS TIME	COVERED IN CLASS#	COVERED ON EXAM (Y/N)	COMMENTS
<b>VIII- TRUST ACCOUNTS</b>		<b>4%- 2 Hrs</b>			
<b>A</b>	<b>License Law and Rules Pertaining to Trust Accounts</b>				
	<b>1</b>	<b>Forms of trust accounts</b>			
	<b>a</b>	<b>Interest bearing account</b>			
	<b>2</b>	<b>Opening and maintaining a trust account</b>			
	<b>3</b>	<b>Making deposits</b>			
	<b>4</b>	<b>Restrictions on deposits</b>			
	<b>5</b>	<b>Minimum trust account records and supporting documents</b>			
	<b>6</b>	<b>Deposits held by other than listing agency</b>			
	<b>7</b>	<b>Dispute over return or forfeiture of deposit</b>			
TOPIC		CLASS TIME	COVERED IN CLASS#	COVERED ON EXAM (Y/N)	COMMENTS
<b>IX- FINANCING OPTIONS</b>		<b>6%- 3 Hrs</b>			
<b>A</b>	<b>Evaluate Different Types of Financing Options</b>				
TOPIC		CLASS TIME	COVERED IN CLASS#	COVERED ON EXAM (Y/N)	COMMENTS
<b>X- ORGANIZING AND MANAGING A REAL ESTATE COMPANY</b>		<b>6%- 3 Hrs</b>			
<b>A</b>	<b>Initial Organization of Company</b>				
<b>B</b>	<b>Opening Costs</b>				
<b>C</b>	<b>Responsibilities</b>				
	<b>1</b>	<b>Develop written office policy describing the company's agency policy</b>			
	<b>2</b>	<b>Develop a licensee training program for new agents</b>			
	<b>3</b>	<b>Assess staff and manager qualifications</b>			
TOPIC		CLASS TIME	COVERED IN CLASS#	COVERED ON EXAM (Y/N)	COMMENTS
<b>XI- ROLE OF THE REAL ESTATE COMMISSION</b>		<b>2%- 1 Hr</b>			
<b>A</b>	<b>Procedures</b>				
<b>B</b>	<b>Services</b>				
<b>C</b>	<b>Communicating with the Commission</b>				